

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL - MAKE CHANGES AS NECESSARY

W-02003A
Rillito Water Users Association
PO Box 651
Rillito, AZ 85654



RECEIVED

MAY 09 2006

AZ CORP COMM
Director Utilities

ANNUAL REPORT

FOR YEAR ENDING

12	31	2006
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entered
5-15-06
RF

FOR COMMISSION USE

ANN04	02
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COMPANY INFORMATION

Company Name (Business Name) Rillito Water Users Association

Mailing Address P.O. Box 668

(Street)

Rillito

(City)

AZ

(State)

85654

(Zip)

(520) 682-3950

Telephone No. (Include Area Code)

N/A

Fax No. (Include Area Code)

N/A

Pager/Cell No. (Include Area Code)

Email Address N/A

Local Office Mailing Address Same as above.

(Street)

(City)

(State)

(Zip)

Local Office Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

MANAGEMENT INFORMATION

Management Contact: _____

Jesse McKnight

(Name)

President

(Title)

P.O. Box 651

(Street)

Rillito

(City)

AZ

(State)

85654

(Zip)

(520) 682-4240

N/A

N/A

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address N/A

On Site Manager: Jesse McKnight, President

(Name)

P.O. Box 651

(Street)

Rillito

(City)

AZ

(State)

85654

(Zip)

(520) 682-4240

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email

Address N/A

☐ Please mark this box if the above address (es) have changed or are updated since the last filing.

Statutory Agent: John Arnold (PPEP Inc Rural Operations Office)

(Name)

1621 N. Clifton Road or 806 E. 46th Street

(Street)

Tucson

(City)

AZ

(State)

85745/ 85713

(Zip)

(520) 792-5700

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Attorney: N/A

(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

☒ Please mark this box if the above address (es) have changed or are updated since the last filing.

OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ Sole Proprietor (S)

☐ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☐ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☒ Association/Co-op (A)

☐ Receivership (R)

☐ Limited Liability Company

☐ Other (Describe) _____

COUNTIES SERVED

Check the box below for the county (ies) in which you are certificated to provide service:

☐ APACHE

☐ COCHISE

☐ COCONINO

☐ GILA

☐ GRAHAM

☐ GREENLEE

☐ LA PAZ

☐ MARICOPA

☐ MOHAVE

☐ NAVAJO

☒ PIMA

☐ PINAL

☐ SANTA CRUZ

☐ YAVAPAI

☐ YUMA

☐ STATEWIDE

COMPANY NAME: Rillito Water Users Association

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	1750		1750
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements			
307	Wells and Springs	2824	141.20	2682.80
311	Pumping Equipment	23400	1170	22230.00
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	3593	179.65	3413.35
331	Transmission and Distribution Mains	20374	1018.70	19355.30
333	Services			
334	Meters and Meter Installations	18603	930.15	17672.85
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	70544	3439.70	67104.30

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME: Rillito Water Users Association

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	1750	0	0
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements			
307	Wells and Springs	2824	5%	141.20
311	Pumping Equipment	23400	5%	1170
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	3593	5%	179.65
331	Transmission and Distribution Mains	20374	5%	1018.70
333	Services			
334	Meters and Meter Installations	18603	5%	930.15
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	70544	5%	3439.70

This amount goes on the Comparative Statement of Income and Expense
Acct. No. 403.

COMPANY NAME: Rillito Water Users Association**BALANCE SHEET**

Acct .No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$5199.79	\$7516.79
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	0	1838.23
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies	(1307.21)	(848.35)
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$3892.58	\$8506.67
	FIXED ASSETS		
101	Utility Plant in Service	\$98055	\$70544
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	27111	3439.70
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$70944	\$67104.30
	TOTAL ASSETS	\$74836.58	\$75610.97

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$2537	\$7308.25
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	68	150
236	Accrued Taxes		
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$2605	\$7458.25
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$5304	\$5569.20
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$7909	\$13027.45
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$	\$
	TOTAL LIABILITIES	\$	\$
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$	\$
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings	66927.58	62583.52
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$66927.58	\$62583.52
	TOTAL LIABILITIES AND CAPITAL	\$74836.58	\$75610.97

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$17982	\$11966.74
460	Un-metered Water Revenue		
474	Other Water Revenues		
	TOTAL REVENUES	\$17982	\$11966.74
	OPERATING EXPENSES		
601	Salaries and Wages	\$1664	\$2566.79
610	Purchased Water		
615	Purchased Power	3264	1870.16
618	Chemicals		
620	Repairs and Maintenance	326	500
621	Office Supplies and Expense	1687	1900
630	Outside Services		
635	Water Testing	1110	870
641	Rents		
650	Transportation Expenses		
657	Insurance – General Liability	823	900
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case	1513	771.39
675	Miscellaneous Expense	2182	54.68
403	Depreciation Expense		
408	Taxes Other Than Income	983	192.55
408.11	Property Taxes	1345	1229.81
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$14897	\$10855.38
	OPERATING INCOME/(LOSS)	\$	\$
	OTHER INCOME/ (EXPENSE)		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
	TOTAL OTHER INCOME/ (EXPENSE)	\$	\$
	NET INCOME/ (LOSS)	\$3085	\$1111.36

COMPANY NAME: Rillito Water Users Association

SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	08-04-67			
Source of Loan	United States Department of Agriculture			
ACC Decision No.				
Reason for Loan	Drill Well			
Dollar Amount Issued	\$24900	\$	\$	\$
Amount Outstanding	\$5304	\$	\$	\$
Date of Maturity	08/01/2007			
Interest Rate	5 %	%	%	%
Current Year Interest	\$265.20	\$	\$	\$
Current Year Principle	\$5569.20	\$	\$	\$

Meter Deposit Balance at Test Year End \$ _____

Meter Deposits Refunded During the Test Year \$ _____

COMPANY NAME: Rillito Water Users Association

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
504409	10	100	10	3		1967
606066	10	100	10	3		1967

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
3	2		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
20,000	1	5,000	1

COMPANY NAME: Rillito Water Users Association

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2	AC	1680
3	AC	4880
4		
5		
6		
8		
10		
12		
3	Stool	350

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	
3/4	82
1	
1 1/2	
2	1
Comp. 3	
Turbo 3	
Comp. 4	
Turbo 4	
Comp. 6	
Turbo 6	

For the following three items, list the utility owned assets in each category.

TREATMENT EQUIPMENT:

Contracted to: YL Technology P.O.Box 390, Sahuarita, AZ. 85629 (520) 625-1671

STRUCTURES:

Six foot chain link fence around Well # 1 and storage tanks.

Six foot chain link fence around Well # 2.

Storage building at Well # 1 site.

OTHER:

COMPANY NAME: Rillito Water Users Association

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2002

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (Thousands)
JANUARY	65	419,688	
FEBRUARY	65	470,339	
MARCH	65	502,859	
APRIL	65	478,779	
MAY	65	619,660	
JUNE	65	807,390	
JULY	65	1,043,692	
AUGUST	65	955,890	
SEPTEMBER	65	826,940	
OCTOBER	65	576,610	
NOVEMBER	65	524,040	
DECEMBER	65	405,120	
TOTAL			

7,631,007

Is the Water Utility located in an ADWR Active Management Area (AMA)?

☐ Yes ☒ No

Does the Company have an ADWR Gallons Per Capita per Day (GPCPD) requirement?

☐ Yes ☒ No

If yes, provide the GPCPD amount: _____

What is the level of arsenic for each well on your system? 0.05 mg/l

(If more than one well, please list each separately.)

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME: Rillito Water Users Association
12/31/2002

YEAR ENDING

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2003 was: \$ 1229.91

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

RILLITO WATER USERS
P.O. BOX 688
RILLITO, AZ 85654

91-527-1874
1221
0728388885

1384

DATE 5-01-02

PAY TO THE
ORDER OF

James Lee Hick, P.C. Treasurer

\$ 1,229.91

one thousand two hundred twenty-nine and 9/100 DOLLARS

TWO SIGNATURES REQUIRED



Wells Fargo Bank Arizona, N.A.
8360 N. Thornydale Rd.
Tucson, AZ 85741
www.wellsfargo.com

MEMO 216-13-12503-0600

James M. King
Patricia Hernandez

12210527810728388885 1384 0000122991

WFB TEMPE, AZ 05072002
TRACER# 3641 001
1221-0527-8
0830531307

DO NOT WRITE, STAMP OR SIGN BELOW THIS LINE
RESERVED FOR FINANCIAL INSTITUTION USE *

ENDORSE HERE

COMPANY NAME Rillito Water Users Association YEAR ENDING 12/31/2002

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported N/A
Estimated or Actual Federal Tax Liability _____

State Taxable Income Reported _____
Estimated or Actual State Tax Liability _____

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances _____
Amount of Gross-Up Tax Collected _____
Total Grossed-Up Contributions/Advances _____

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

Jesse McKnight
SIGNATURE

May 8, 03
DATE

Jesse McKnight
PRINTED NAME

President
TITLE

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY**

RECEIVED

MAY 09 2006

AZ CORP COMM
Director Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) Pima	
NAME (OWNER OR OFFICIAL) Jesse McKnight	TITLE President
COMPANY NAME Rillito Water Users Association	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH 12	DAY 31	YEAR 2002
--------------------	------------------	---------------------

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2003 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES \$ <u>17,904.83</u>
--

**(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 192.55
IN SALES TAXES BILLED, OR COLLECTED)**

***RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.**

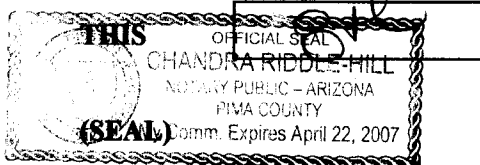

SIGNATURE OF OWNER OR OFFICIAL

(520) 682-4240

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

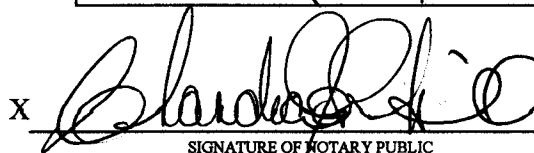


DAY OF

NOTARY PUBLIC NAME Chandra Riddle-Hill	
COUNTY NAME PIMA	
MONTH MAY	.20 04

MY COMMISSION EXPIRES

April 22, 2007

X 
SIGNATURE OF NOTARY PUBLIC

RECEIVED

MAY 09 2006

AZ CORP COMM
Director Utilities

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

VERIFICATION

STATE OF

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)
Pima
NAME (OWNER OR OFFICIAL) TITLE
Jesse McKnight, President
COMPANY NAME
Rillito Water Users Association

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2002

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2002 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 17,904.83

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 192.55
IN SALES TAXES BILLED, OR COLLECTED)

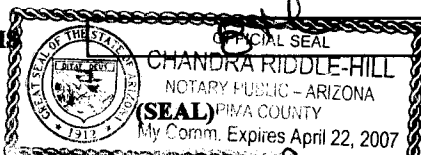
****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

Jesse McKnight
SIGNATURE OF OWNER OR OFFICIAL
(520) 682-4240
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS



DAY OF

COUNTY NAME	PIMA
MONTH	MAY
YEAR	2006

MY COMMISSION EXPIRES **APRIL 22, 2007**

Chandra Riddle-Hill
SIGNATURE OF NOTARY PUBLIC